

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address

☐ Individual appearing without attorney
☒ Attorney for: Chapter 7 Trustee

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

In re:

CASE NO.: 2:17-bk-23722-RK

CHAPTER: 7

NOTICE OF SALE OF ESTATE PROPERTY

Debtor(s).

Sale Date: 09/14/2021

Time: 11:00 am

Location: VIA ZoomGov - United States Bankruptcy Court; Ctrm 1675

Last date to file objections: 08/31/2021

Terms and conditions of sale: Free and clear of all liens, claims, and interests;

Proposed sale price: \$ 25,000.00 and ten percent (10%) of Buyer's ultimate gross recoveries from Litigation Assets.

Overbid procedure (if any): Initial overbid \$180,000; subsequent bids no less than \$5,000; Overbid must remain open until the conclusion of the auction of the Litigation Assets to be held at the hearing noted above. Nonrefundable deposit of \$12,500 if the bid is determined to be the highest and best bid for the Litigation Assets

See attached Overbid Procedures.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

Date: September 14, 2021

Time: 2:30 p.m.

Ctrm: 1675 - ZoomGov

United States Bankruptcy Court

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

DAVID A. WOOD, Esq.

dwoodMarshack Hays LLP, 870 Roosevelt, Irvine, CA 92620, 949-333-7777

Date: 08/23/2021

Overbid Procedure

While the Trustee is prepared to accept the offer for the Litigation Assets as set forth in this Motion, he is also interested in obtaining the maximum price for the Litigation Assets. Accordingly, the Trustee requests that the Court authorize him to implement an overbid procedure regarding the sale of the Litigation Assets on the following terms.

Any potential overbidder is encouraged to obtain a copy of the Motion and contact Trustee's counsel prior to the hearing. The Litigation Assets will be sold subject to overbid at an open auction ("Auction") to be conducted by the Trustee before the Court at the time that this Motion is heard.

The Trustee has established the following overbid procedures, which shall govern any bidding:

1. Any person or entity that is interested in purchasing the Litigation Assets ("Bidders") must serve the Trustee and his counsel with an initial bid in conformance with these procedures ("Overbid"), such that any Overbid is actually received no later than the commencement of the auction ("Bid Deadline");

2. Each party (including the Buyers) interested in participating as an overbidder must be present either physically or telephonically at the hearing on the Motion or represented by an individual or individuals with the authority to participate in the overbid process;

3. Any entity that submits a timely, conforming Overbid shall be deemed a "Qualified Bidder" and may bid for the Litigation Assets at the hearing. Unless otherwise permitted by the Court, any entity that fails to submit a timely, conforming bid shall be disqualified from bidding for the Litigation Assets;

4. The Trustee, subject to Court review and the rights of a Bidder or party in interest to raise an issue with the Court, shall have sole authority to determine whether a party is a Qualified Bidder;

5. Any Overbid must remain open until the conclusion of the auction ("Auction") of the Litigation Assets to be held at the hearing on this Motion;

6. Any Overbid must provide for a minimum purchase price of at least \$180,000, which equals the Cash Component, the calculated the value of the Success Component, plus an additional \$5,000;

1 7. Any Overbid must be for the Litigation Assets “as is,” “where is,” and “with all
2 faults,” and shall not contain any financing, due diligence, or any other contingency fee, termination
3 fee, or any similar fee or expense reimbursement;

4 8. Any Overbid must be accompanied by a deposit of \$12,500 in certified funds, which
5 funds shall be nonrefundable if the bid is determined by the Court to be the highest and best bid for
6 the Litigation Assets (“Best Bid”), and proof satisfactory to the Trustee that such bidder has
7 sufficient funds to complete the sale;

8 9. Any Overbid must be made by a person or entity who has completed its due diligence
9 review of the Litigation Assets and is satisfied with the results thereof;

10 10. If the Trustee receives a timely, conforming Overbid for the Litigation Assets, then
11 the Court will conduct an auction of such property at the hearing, in which all Qualified Bidders may
12 participate. The Auction shall be governed by the following procedures: (a) All Qualified Bidders
13 shall be deemed to have consented to the core jurisdiction of the Bankruptcy Court and to have
14 waived any right to jury trial in connection with any disputes relating to the Auction or the sale of
15 the Litigation Assets; (b) After the initial overbid, the minimum bidding increment during the
16 Auction shall be \$5,000; (c) Bidding shall commence at \$180,000 which equals the Cash
17 Component, the calculated the value of the Success Component, plus an additional \$5,000; and
18 (d) The Court will determine which of the bids is the best bid (“Successful Bidder”); and

19 11. The Successful Bidder must pay, at the closing, all amounts reflected in the Best Bid
20 in cash and such other consideration as agreed upon.

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